FINDING OF NO SIGNIFICANT IMPACT/DECISION NOTICE

For Proposal to Approve with Conditions Texas Petroleum Investment Company Operations Permit Application to

Drill and Produce the Delta Duck Club No. 130 Well

Delta National Wildlife Refuge, Louisiana

Summary

The U.S. Fish and Wildlife Service (Service) will issue an Operations Permit to Texas Petroleum Investment Company (TPIC) to drill the Delta Duck Club No. 130 well on Delta National Wildlife Refuge (Refuge) and, if successful, connect it to the existing Delta Duck Club production facility with new flowlines and a gas lift service line. The Service's approval will contain conditions that have been identified during the permitting process.

The Service prepared an Environmental Assessment (EA) in response to TPIC's operations permit application. The EA is incorporated into this Finding of No Significant Impact (FONSI) by reference. As required by 50 CFR §29.94(b), TPIC has provided documentation demonstrating that it holds the legal right to conduct the proposed operations. Also, TPIC's Operations Permit application required by the 29D regulation has been determined to be complete in accordance with 50 CFR §29.101 and is incorporated into this FONSI by reference. The Service is obligated to evaluate and respond to the application in order to ensure that mineral rights holders have reasonable access to develop their non-Federal oil and gas interests and that they minimize impacts to Refuge resources to the extent practicable under the Service's 50 CFR Part 29, Subpart D regulations (29D Regulations).

Preferred Alternative

The Preferred Alternative is for the Service to issue an Operation Permit that ensures that the TPIC is using the most technologically feasible, least damaging methods to conduct operations on the Refuge in accordance with 50 CFR Part 29, Subpart D.

As described in the EA, the proposed operation is in an area that is already highly impacted by oil and gas development. TPIC has proposed a drilling location in an existing drilling slip such that no new surface disturbance will occur as a result of accessing the drilling site or drilling the well. TPIC has also proposed using horizontal directional drilling (HDD) to install flowlines and service lines thus avoiding any new surface disturbance.

Additionally, TPIC is proposing to use a zero discharge, self-contained drilling barge that will ensure that leaks and spills of hazardous or contaminating substances entering the environment will be avoided to the maximum extent practicable. The operator has submitted the drilling contractor's Spill Prevention, Control, and Countermeasure (\$PCC) plan for drilling operations and its own Facility Response Plan (FRP) as required under 40 CFR, part 112. Adherence to these plans will help ensure that risks of spills are minimized and any spills or leaks that do occur will be reported to the refuge and responded to in a timely manner. As a result, risks of these indirect impacts to marshlands/wetlands will be minimized or avoided to the maximum extent possible. Additionally, the operator is responsible for any damage to marshlands or wetlands as a result of such a spill or leak and must restore habitat to the Service's standards (50 CFR 29.117(a), 120(g) and 29.151(a)).

The Service will attach the following conditions to the Operations permit to further reduce adverse impacts on refuge resources and uses thereby ensuring the proposed operations will use technologically feasible, least damaging methods (§29.103(a)(1)). TPIC will:

- Conduct drilling and line installations between February 1st and October 31st to avoid impacts to migratory waterfowl and visitor uses.
- 2. Use engines that adhere to applicable Federal and State emission standards to reduce impacts to air quality and visual resources.
- 3. Maintain zero discharge operations, and dispose of all waste outside the refuge in accordance with applicable laws and regulations.
- 4. Not kill, harass, disturb, injure, spear, poison, destroy, collect or attempting to kill, harass, disturb, injure, spear, poison, destroy or collect any plant or animal.
- 5. Keep disturbance to fish, wildlife, vegetation, and the environment to an absolute minimum.
- 6. Not feed wildlife.
- 7. Meet all federal and state requirements for noise suppression while operating on the refuge.
- 8. Use a drill rig with inward facing lighting, pointing down; minimizing negative effects of spill lighting on night sky or surrounding habitat.
- 9. Post "warning/safety" signs at public access points (canals) surrounding the drill rig, warning public of increased boat traffic and operations.
- 10. Comply with other administrative conditions identified in the EA.

Alternatives Considered

The EA considered the preferred alternative described above and a no action alternative. Under the no action alternative, the Service would not engage with TPIC in a permitting process. This would result in TPIC accessing their minerals without being required to comply with the 29D Regulations. Therefore, there would be no assurance that the Applicant would use technologically feasible and least damaging methods.

Throughout the impact evaluation, the Service has contrasted the impacts of the proposed permitting action of the Service with the current condition and expected future condition under the no action alternative.

Environmentally Preferred Alternative. The environmentally preferred alternative is determined by applying criteria identified in Section 101 of the National Environmental Policy Act (NEPA) to each alternative considered. In accordance with NEPA, the environmentally preferred alternative will best: (1) fulfill the responsibility of each generation as trustee of the environment for succeeding generations; (2) assure for all generations a safe, healthful, productive, and aesthetically and culturally pleasing surroundings; (3) attain the widest range of beneficial uses of the environment without degradation, or other undesirable and unintended consequences; (4) preserve important historic, cultural and natural aspects of our national heritage and maintain, wherever possible, an environment that supports diversity and variety of individual choice; (5) achieve a balance between population and resource use that will permit high standards of living and a wide sharing of life's amenities; and (6) enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.

As considered in the EA, the preferred alternative to issue the operations permit with conditions is the environmentally preferred alternative. TPIC's compliance with the 29D regulations, its operations permit application, and conditions attached to the permit will lower adverse impacts to refuge resources and uses compared to the no action alternative.

Why the Preferred Alternative will not have a Significant Effect on the Human Environment

Consideration of effects described in the EA and a finding that they are not significant is a necessary and critical part of this FONSI as required by 40 CFR 1508.13. Significance criteria are defined in 40 CFR 1508.27 to consider direct, indirect, and cumulative impacts and the context and intensity of impacts.

The proposed operation is in an area that is already highly impacted by oil and gas development. There are 29 oil and gas wells currently active on the refuge, 70 inactive wells, and 77 wells that have been plugged and abandoned. Plaquemines Parish has over 7,000 active producing oil and gas wells. Therefore, one additional well is insignificant in this context at both a Refuge and local level, as are the beneficial impacts on the human environment from the Service's action (stipulating conditions on the Operations Permit for operator to meet technologically feasible, least damaging methods).

The intensity of the effects from the proposed operation is low in the long term, with the highest level of intensity occurring for a relatively short duration of 45 days during drilling of the well and installation of the gathering and service lines. Even during the time of highest intensity, the effects on the environment are still localized, minimal, and have been avoided or mitigated to the maximum extent practicable.

Due to the nature of oil and gas activities, there is always a risk to public health or safety, as well as wildlife and habitat, from leaks, spills or emergencies. However, the risk of these incidents occurring is very low, especially when the operator has in place proper procedures for avoiding, mitigating, and responding to such incidents, as does this operator with their SPCC plan, as well as their FRP.

While refuges, by their nature, are unique areas protected for conservation of fish, wildlife and habitat, the proposed operation will not have a significant impact on refuge resources and uses for several reasons:

- The proposed area of operation is not in an ecologically sensitive area;
- The proposed operations will not impact any threatened or endangered species;
- The proposed operations will not impact any cultural or historical resources;
- The proposed operations will not impact any wilderness areas;
- There are no unmitigated adverse impacts on public health or public safety;
- The proposed area of operations is an area that has already been highly impacted by oil and gas activity;
- The operator's use of existing waterways, prop washing, and the zero-discharge barge, ensures no new surface disturbance and minimal impacts to the affected environment;
- The operator is proposing to use barge for drilling operations which results in the greatest intensity of effects, during drilling, being temporary with minimal long-term direct impacts (the physical presence of the well pad and continued temporary direct impacts from monitoring and maintenance of the well);
- The use of the zero-discharge barge ensures that the risk of indirect impacts due to leaks or spills is low.

The proposed operation, with mitigation proposed by the operator would result in no more than minimal individual and cumulative adverse environmental impacts.

The preferred alternative does not constitute an action that normally requires the preparation of an environmental impact statement (EIS), and the preferred alternative will not have a significant effect on the human environment. In addition, no highly uncertain or controversial impacts, unique or unknown risks, significant cumulative effects, or elements of precedence have been identified. Implementing the preferred alternative will not violate any federal, state, or local environmental protection law.

Public Involvement

This Environmental Assessment was available for public review and comment for 30 calendar days, from April 12, 2017 to May 11, 2017, on the Southeast Louisiana Refuges Complex website, the Delta National Wildlife Refuge website, and at the complex headquarters located at:

https://www.fws.gov/southeastlouisiana/ https://www.fws.gov/refuge/delta/ No comments were received regarding the EA for the proposed operation for the Delta Duck Club No. 130 Well.

This FONSI will be posted for a period of 30 days (May 12, 2017 through June 10, 2017). A hard copy will be located at the Southeast Louisiana Refuge Complex Headquarters: 61389 Hwy 434, Lacombe, LA 70445

And online at:

https://www.fws.gov/southeastlouisiana/ https://www.fws.gov/refuge/delta/

Recommended:

Approved:

Date

Date